

HUMAN SERVICES BOARD

INTRODUCTION

FINDINGS OF FACT

1. The petitioner is a disabled woman whose sole source of income is \$571.04 per month from Supplemental Security Income benefits. She lives alone in a one-bedroom apartment which she heats with propane gas. Her rent is subsidized through the "Section 8" program which requires her to pay \$102.00 per month to the landlord. (The market rent on the apartment is \$435.00 per month.) She is required to pay her own utilities. The petitioner only recently moved to the apartment and is unsure what her monthly utility payments will be but was told by her landlord that they were about \$600.00 per year.

2. The petitioner made a timely application for heating fuel assistance with the Department of PATH and was informed by letter dated September 6, 2000 that she would not be eligible because her "estimated heating cost is less than the allowed minimum heating cost to be eligible for assistance."

3. The Department calculated the petitioner's eligibility by subjecting her \$571.04 monthly income to a \$150.00 deduction based on her disability. The remainder, \$421.00, made her income eligible for the program. The Department then calculated whether the petitioner had a heating obligation of at least \$125.00 per month. Relying on tables in its regulations, the Department determined that the petitioner would have an annual heating cost of \$408.00 during the heating season. The Department further determined based on tables that the petitioner had been allotted \$480.00 per year by the "Section 8" program to pay for her heating costs.¹ This "subsidy" was subtracted from the petitioner's annual heating costs and she was found to have no uncovered heating

¹ This \$480.00 figure represents the amount by which the petitioner's annual rent obligation to her landlord was reduced because he does not provide utilities to her. If the landlord had provided utilities, she would have been required, based on her income, to pay \$40.00 more per month as her portion of the rent. The housing authority pays the landlord the difference between the market value of the apartment and the petitioner's share.

costs. With less than \$125.00 in heating costs, the petitioner was determined to be ineligible.

4. The petitioner appealed this determination because her income is low and she needs the money to help pay her heating costs. She was found eligible for fuel last year with more income (at that time it included ANFC) and is confused as to why she should be ineligible when her income went down by over \$300.00 per month. However, last year she had two more persons in her household, a different annual heating cost and a different subsidy amount which left her vulnerable for almost \$800.00 in heating costs for which she was receiving no assistance. When she moved in early September of 2000, her heating situation changed dramatically.

ORDER

The decision of the Office of Home Heating Assistance of PATH is affirmed.

REASONS

The regulations governing the fuel program require that SSI income be counted but subjects it to a deduction of \$150.00 based on the petitioner's disability. W.A.M. 2904.3(3). A single person with a net income less than

\$870.00 is financially eligible for benefits. P-2905 A. The petitioner is financially eligible based on her countable income of \$421.00.

Financial eligibility, however, is not the only test for receiving benefits. The regulations also require that a household has an obligation to pay a minimum amount of heating expense in relation to its income in order to receive benefits. 2906.2(c). With \$421.00 in income, the petitioner is in the poorest group of potential recipients (persons under 55% of the federal poverty guideline). As such, the petitioner is eligible under the Department's regulations if she is liable for as little as \$125.00 per year in heating costs. W.A.M. 2906.3.²

The Department calculates a household's liability for fuel expenses, not through use of actual usage figures, but by means of a "Proxy Table" reflecting standing heating costs by the type (single or multi-family), size (by number of bedrooms) and type of heating fuel. W.A.M. 2906.2(a). For the petitioner, who lives in a one-bedroom apartment that is heated by propane gas, the annual heating figure is \$408.00.

² These tables are set up in an attempt to insure that the most money goes to the poorest households. A family at 115-125% of the poverty guideline, for example, must be liable for at least \$266.00 per year in heating fuel costs to be eligible for benefits. See W.A.M. 2906.3.

W.A.M. 2906.4. The regulations provide further that persons who live in subsidized housing have further reductions calculated as follows:

Each household living in subsidized housing will have its annual primary heating fuel costs reduced by an annualized standard heating subsidy deduction prior to determining the percentage of heating costs to be met by the Fuel Program. This standard is derived from Housing and Urban Development (HUD) heating subsidy amounts, called allowance by HUD, which are developed by the Vermont State Housing Authority and are specified by housing type, fuel type, and number of bedrooms. These subsidy amounts are located in the Standard Heating Subsidy Tables in the Fuel Program section of the welfare procedures manual.

W.A.M. 2906.1

For the petitioner the standard heating subsidy figure is \$480.00 per month (one bedroom, multi-family dwelling with propane gas). P-2905 C. The regulations require that this figure must be used to reduce the annual heating cost to obtain a "net annual fuel cost." W.A.M. 2906.2(b). The petitioner's "net annual fuel cost" (\$408.00-\$480.00) is less than zero.

As stated above, the petitioner must have a minimum net fuel cost figure of at least \$125.00 in order to be eligible for the payment of any benefits. W.A.M. 2906.2(c). The Department is correct in its determination that the petitioner cannot receive heating assistance under the regular fuel

program for this winter. The Board is thus bound to affirm the Department's decision. 3 V.S.A. § 1391(d), Fair Hearing Rule 17. The petitioner should be aware that there is a "crisis" program if she should find herself in an emergency situation with regard to paying for her heating fuel which she may apply for through her local community action program.

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